

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0351-01  
Bill No.: HB 177  
Subject: Workers Compensation; Boards and Commissions, Committees, Councils;  
General Assembly; Department of Labor and Industrial Relations  
Type: Original  
Date: February 16, 2015

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Bill Summary: This proposal establishes the Joint Committee on Missouri Division of  
Workers' Compensation.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Missouri Senate** and the **Missouri House of Representatives** each assume the proposal will have no fiscal impact on their respective organizations.

Officials at the **Department of Labor and Industrial Relations (DOLIR)** assume this proposal creates a Joint Committee on Missouri Division of Workers' Compensation to investigate disparity directed at injured minorities, low-income workers, and workers under thirty-five years of age. A study will be conducted with a recommendation sent to the General Assembly. The outcome of the study will indicate any potential impact to the small business employers who are governed by subject to the workers compensation law to insure their liabilities.

DOLIR assumes the Committee will request the division to provide data relating to all injuries that are resolved through settlements for CY2013 and CY2014. The division estimates that it would take the research analyst approximately eight to twenty-five hours to initially conduct a search for the total number of settlements in the system. The data would relate to all injuries that are resolved through settlements only for CY2013 and CY2014.

DOLIR estimates there will be approximately 34,800 settlements for two years. If the committee requests the documents from the division, staff time would be involved to conduct a search in the computer system in order to print the settlements from the imaged case file or to obtain the case file from State archives depending upon the age of the case, to redact confidential information and to copy the records. The maximum costs in the first year are estimated on the division printing, redacting and copying 34,800 stipulations for two years. It is assumed there are three pages per stipulation and it will take an estimated three minutes to print the stipulation, five minutes per stipulation to redact the confidential information, and thirty minutes per 1,000 pages to copy the redacted pages.

If the request for data is on a continuing basis there will be additional costs involved based upon the complexity of the data request. The division has regulatory oversight over the workers compensation system and administers several programs such as Injury Processing, Second Injury Fund, Fraud and Noncompliance, Workers' Safety, Self-Insurance, Adjudication, Administration and Legal. There are 8 adjudication offices throughout the state of Missouri and docket settings are offered for conferences, pre hearings, mediations, hearings (including hardship and §287.203) and issuance of awards. If data is requested on a specific program there would be additional costs based upon the type of data requested.

ASSUMPTION (continued)

**Oversight** assumes that the Department of Labor and Industrial Relations can absorb the duties associated with this proposal with existing resources. Should the information needed by the Joint Committee be more than current staff can handle, additional resources could be sought through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

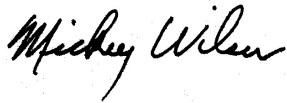
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Labor and Industrial Relations  
Missouri Senate  
Missouri House of Representatives

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
February 16, 2015

Ross Strobe  
Assistant Director  
February 16, 2015